

[24 April, 2001]

RAJYA SABHA

many schemes have been implemented effectively. You inform the House ... (*Interruptions*) ...

SHRI JIBON ROY: Sir, unless public investment is there, the North-East will be destroyed. No amount of promises or assurances will save the North-East. Public investment has to be there. Subsidy will not work. ... (*Interruptions*) ...

SHRI OMAR ABDULLAH: Sir, the problem is that the hon. Member does not want to hear the reply when the facts go against his question (*Interruptions*) ...

MR. CHAIRMAN: Let him reply.

SHRI OMAR ABDULLAH: I am putting forward facts in front of the hon. Member that shows that the Government is seriously committed to improving the economic condition of the North-Eastern States. The hon. Member asked an out of turn question regarding the parks and how much investment has gone into this, I would like to submit that four Export Promotion Industrial Parks have been approved for the North-East -- One in Nagaland, one in Manipur, one in Meghalaya and one in Assam. Trade Centres have also been sanctioned for Imphal and Moreh in Manipur. Aside from this, when proposals are received from the State Governments, they are acted upon immediately. I have also mentioned about the capital investment in the North-Eastern Region. North-Eastern Financial Development Corporation has already financed 207 projects in the North-Eastern Region, with a total capital investment of Rs. 514.99 crores since the year 1996-97. So, this is not a small sum by any stretch of imagination.

Ban on import of soda from USA

*542. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the Government are blocking soda imports from USA and other countries;

(b) whether it is also a fact that the American National Soda Ash Corporation has filed a petition with the officer of the US trade representative; and

(c) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH):
(a) No, Sir. The imports of soda (ash) into India is free.

(b) and (c) Yes, Sir. American Natural Soda Ash Corporation (ANSAC) had filed a petition before US Trade Representative for withdrawal or suspension of duty free benefits to Indian products under US GSP Programme on the ground that equitable and reasonable access to India's soda (ash) market is restricted.

SHRI K. RAMA MOHANA RAO: Sir, if the American Natural Soda Ash Corporation is engaging in cartelisation and predatory pricing practices of soda ash with the intention of eliminating competition in the Indian market, this should not be allowed to take place. Our domestic industry should be protected at all costs. I would like to know from the hon. Minister as to what the Ministry has been doing since 1995, the year from which ANSAC started exporting soda ash to India. We have started fighting effectively only from last year.

Part (b) is: Whether India is complying with the tariff structure of the WTO with regard to soda ash and whether the ANSAC meeting all legal requirements of the US laws and the WTO guidelines for exporting soda ash to India?

SHRI OMAR ABDULLAH: If the hon. Member wants to know what I have been doing since 1995, I am not sure he will be very interested. If he wants to know what the Government of India has been doing with regard to the soda ash issue, I would reply. Sir, this was, originally, taken up by the Alkaline Manufacturers Association of India; they filed a representation before the MRTPC wherein they stated that the American Natural Soda Ash Corporation (ANSAC) is actually a cartelisation of six corporations and as a result of which, their domestic interests were being hampered. The MRTPC saw a validity in this argument. It was also appealed in various courts. It went right up to the Supreme Court and the decision of the MRTPC was upheld. Now, as far as India's position is concerned, the finding of the MRTPC is very clear that cartelisation cannot be allowed. This

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is something which the E.U. also followed. In fact, the European Union had a similar argument with the ANSAC in the early 90's. It is also something that the USA follows very closely to ensure that there is no cartelisation so that it does not affect their own economy. India's position is very clear. Individually, there are no restrictions on these companies to trade with India. They are free to sell their soda ash, as other countries are doing, subject to the duty considerations that have been laid down. But no cartel is allowed to trade and that is something that we will ensure.

SHRI K. RAMA MOHANA RAO: Sir, this is my second supplementary. I would like to know as to how the Ministry is countering the attack because it could have a wide range of implications on the Indo-U.S. trade ties. There is every likelihood of India facing the wrath of the U.S. with regard to the U.S. Generalized System of Preferences on more than 300 items worth more than U.S. \$ 400 million a year, if the case is won by the ANSAC. I think the final decision was supposed to be taken by 1st April, 2001. I would like to know as to what has happened to that.

SHRI OMAR ABDULLAH: Sir, there has been a stream of correspondence both from the Commerce Ministry in Delhi and our commercial representative in the Washington Embassy. As far as we are concerned, we have made our position very clear. We do not see any connection between the MRTPC case that has gone on with the ANSAC and the GSP benefits that the U.S. Government gives to some of our exports to their markets. This is a case we are continuously arguing and we will continue to do so.

MR. CHAIRMAN: Shri Sangh Priya Gautam.

श्री संघ प्रिय गौतमः जवाब आ गया है, मुझे कुछ नहीं पूछना है।

MR. CHAIRMAN: Next question. Shri Balkavi Bairagi.